Federal Communications Commission 445 12th St., S.W. Washington, D.C. 20554

News Media Information 202 / 418-0500 Internet: http://www.fcc.gov TTY: 1-888-835-5322

DA 16-71

Released: January 21, 2016

WIRELINE COMPETITION BUREAU SEEKS COMMENTS ON NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.'S PROPOSED 2016 MODIFICATION OF AVERAGE SCHEDULE FORMULAS

WC Docket No. 15-298

Comment Date: February 22, 2016 Reply Comment Date: March 8, 2016

On December 23, 2015, the National Exchange Carrier Association, Inc. (NECA) filed with the Commission its proposed modification of average schedule formulas for interstate settlements, pursuant to section 69.606 of the Commission's rules. NECA proposes to revise the formulas for average schedule interstate settlement disbursements in connection with the provision of interstate access services for the period beginning July 1, 2016, through June 30, 2017.

According to NECA's filing, the proposed formula changes will increase settlement rates by 2.6 percent at constant demand.² NECA states that the proposed settlement formulas reflect the same general structures and methods as current formulas.³ NECA further states that the effects of these formula changes on individual average schedule companies will vary depending on each company's size and demand characteristics.⁴ NECA "calculates that most companies are expected to experience increases in settlements, with 46 study areas of the total 313 average schedule study areas expected to experience settlement rate reductions, at constant demand."⁵

According to NECA, "most of the settlement increases are attributed to increases in special access formulas across all line-size groups," and the "increases in special access DSL and Non-DSL formulas are attributed to higher account growth and a continued increase in account allocations to the special access category especially for account COE 4.2." NECA also states that a "projected significant

¹ 47 CFR § 69.606(b). *See* National Exchange Carrier Association, 2016 Modification of Average Schedules, *attached to* Letter from Richard A. Askoff, Executive Director—Regulatory, NECA, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 15-298 (filed Dec. 23, 2015).

² *Id.* at Summary-1.

 $^{^3}$ Id

⁴ *Id*.

⁵ *Id*. at I-5.

⁶ *Id.* at I-6.

reduction in Non-DSL demand has contributed to an increase of the Non-DSL formula, while a projected increase in DSL demand has partially offset the increase of the DSL formula."⁷

Pursuant to section 1.419 of the Commission's rules, 47 CFR § 1.419, interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. Comments may be filed by paper or by using the Commission's Electronic Comment Filing System (ECFS). *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing ECFS: http://apps.fcc.gov/ecfs.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail.
 - All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th Street, SW, Room TW-A325, Washington, DC 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of <u>before</u> entering the building.
 - Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.
 - U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, SW, Washington, DC 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice) or (202) 418-0432 (tty).

The proceeding this Notice initiates shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's ex parte rules. Persons making ex parte presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with rule 1.1206(b). In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written ex parte presentations and memoranda summarizing oral ex parte presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt,

⁷ *Id*.

⁸ 47 CFR § 1.1200 et seq.

searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

For further information, please contact Robin Cohn, Pricing Policy Division, Wireline Competition Bureau, at (202) 418-2747 or via email at Robin.Cohn@fcc.gov.

- FCC -